

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**BOARD OF DIRECTORS**

**WEDNESDAY, FEBRUARY 15, 2006**

**4:00 p.m.**

**IN THE MARY BRENNAN BOARD ROOM, T. F. GREEN AIRPORT,  
WARWICK, RHODE ISLAND**

**The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Vice-Chairman, James Forte, at 4:17 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.**

**BOARD MEMBERS PRESENT: James Forte; Joseph Cianciolo; Robert Sangster, Joseph Larisa.**

**BOARD MEMBERS ABSENT: James Rosati; Michael Traficante; Dr. Kathleen Hittner.**

**ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Laurie Cullen, A.A.E., Executive Vice President; Brian Schattle, Senior Vice President of Finance and Administration and CFO; Marci Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; Richard Licht, Outside Legal Counsel; and those members listed on the attendance**

**sheet attached hereto.**

**1. Approval of the Minutes:**

**A motion was made by Mr. Sangster to approve the minutes of the Board Meeting of January 27, 2006. The motion was seconded by Mr. Cianciolo. The motion was passed unanimously.**

**2. Open Forum:**

**This item was moved to after the Legislative Report.**

**3. Report from President and CEO:**

**Mr. Brewer reported that Mr. Cianciolo had recently been reappointed to the Board by Governor Carcieri.**

**Mr. Brewer reported that passenger numbers for the month of January were down 0.91%. It was noted that there are approximately 14% less seats available for sale, and that this decline is being felt regionally.**

**Mr. Brewer reported that work is continuing on the cooperative marketing initiatives with Manchester Airport and he gave an overview of the joint meeting recently held with Southwest Airlines. Mr. Brewer reported that one of Southwest's priorities is the repeal of**

**the Wright amendment and they had asked the Corporation to consider voting in favor of the repeal.**

**Mr. Brewer gave an update on several marketing efforts which are currently underway in the Boston area.**

**Mr. Brewer reported that along with Ms. Goldstein he would be visiting with corporate representatives of United Airlines and Spirit Airlines.**

**Mr. Brewer reported that a press conference was held on Monday, February 13 promoting tourism to the Azores.**

**Mr. Brewer gave an overview of the EDS Press Conference which was held earlier in the day.**

#### **4. Legislative Report:**

**Mr. Brewer reported that each month there will be a Legislative Report which will keep the Board updated on legislation that is being proposed.**

#### **5. Open Forum:**

**Ms. Yissel Vicente, representing workers at HMS Host at T. F. Green Airport, read a statement to the Board, the content of which is below:**

**“Good afternoon members of the Board. I am Yissel Vicente. I work for HMS Host here at T. F. Green Airport. I am here today to inform you of a problem we are having with our employer. We recently learned that there is a Rhode Island law that says that all hourly employees who work for a private company should be paid weekly. Unfortunately, our employer is violating this law and is only paying us every other week. On average, we make \$8 an hour. We have asked HMS Host to follow the law. They have made no effort to even discuss the problem with us and have not changed anything. About one month ago, we called the wage and hour division at the State Department of Labor to tell them what is happening. We are now waiting for the State Department of Labor to finish investigating our complaint. I am here today because we thought you, as the public agency that HMS Host has a contract with, would want to know that our employer is not following the law and is being investigated. We hope that our employer will quickly fix its mistake and pay us weekly. Hopefully, the next time that I see you I will be able to say that HMS Host is now paying us weekly.”**

**Mr. Forte thanked Ms. Yissel for bringing the matter to the Board’s attention.**

## **5. Operations and Capital Committee Report:**

**Mr. Forte reported that there was a combined Operations and Capital**

**Committee and Finance and Audit Committee one hour prior to the Board Meeting and there were items on the consent agenda for approval by the Board. The monthly discussion of the Capital Improvement Program was deferred by the Committee for discussion by the full Board.**

**Consent Agenda:**

**A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the items on the consent agenda. The motion was passed unanimously.**

**(a) Consideration of and Action Upon Approval of Consultant Task Order for the Concessions Expansion Request for Proposal for T. F. Green Airport.**

**WHEREAS, RIAC contracted with the firm of HNTB Corporation to provide consultant services associated with the installation of the in-line Explosive Detection Systems (EDS) into the baggage make-up systems; and**

**WHEREAS, tasks provided under this contract included: preliminary and design services associated with the in-line EDS system, security screening checkpoint, carpet replacement, concessions planning and programming, security system needs assessments, and ticket counter modifications; and**

**WHEREAS, RIAC has received a scope and fee from HNTB Rhode Island to provide consultant services associated with development of a concessions expansion Request for Proposals (RFP) documents in the amount of \$116,685 and is currently conducting negotiations; and**

**WHEREAS, RIAC will fund this project as an unbudgeted expense through the Department of Commercial Programs Professional Fees line item.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a Task Order with HNTB Rhode Island to provide consultant services associated with development of a concessions expansion Request for Proposals document for T. F. Green Airport in an amount not-to-exceed \$116,685.**

**(b) Consideration of and Action Upon Approval of Consultant Task Order for Design and Removal of Off-Airport Obstructions at North Central Airport.**

**WHEREAS, RIAC has contracted with the firm of Dufresne-Henry, Inc. to perform on-call architectural and engineering services; and**

**WHEREAS, RIAC received a scope and fee from Dufresne-Henry, Inc.**

**to provide design and construction phase services in the amount of \$138,850 and is currently conducting negotiations; and**

**WHEREAS, the current Fiscal Year 2006 Budget includes a total of \$540,750 for this project \$514,999 through the FAA Airport Improvement Program (AIP) and \$25,751 through the General Purpose Fund; and**

**WHEREAS, this Task Order will initially be funded through the General Purpose Fund with 95% (\$131,908) reimbursement from the FAA upon receipt of a Federal AIP grant offer.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, negotiate and execute a Task Order with Dufresne-Henry to provide design and construction phase services for the Design and Remove Off-Airport Obstructions Project at North Central Airport in an amount not-to-exceed \$138,850.**

**(c) Consideration of and Action Upon Approval of Consultant Task Order for Design and Removal of Off-Airport Obstructions at Westerly Airport.**

**WHEREAS, RIAC has contracted with the firm of Dufresne-Henry, Inc. to perform on-call architectural and engineering services; and**

**WHEREAS, RIAC received a scope and fee from Dufresne-Henry, Inc. to provide design and construction phase services in the amount of \$140,714 and is currently conducting negotiations; and**

**WHEREAS, the current Fiscal Year 2006 Budget includes a total of \$1,801,500 for this project \$1,027,425 through the FAA Airport Improvement Program (AIP) and \$54,075 through the General Purpose Fund; and**

**WHEREAS, this Task Order will initially be funded through the General Purpose Fund with 95% (\$133,678) reimbursement from the FAA upon receipt of a Federal AIP grant offer.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, negotiate and execute a Task Order with Dufresne-Henry to provide design and construction phase services for the Design and Remove Off-Airport Obstructions Project at Westerly Airport in an amount not-to-exceed \$140,714.**

**(d) Consideration of and Action Upon Award of Professional Service Agreement for the Completion of an Investment Grade Audit for a Potential Energy Saving Performance Contract.**



**WHEREAS, the State and Federal Energy Office are promoting a “Rebuild America” program in an effort to reduce air emissions by enhancing a building’s energy efficiency and performance; and**

**WHEREAS, the State of Rhode Island qualified Chevron/Texaco, ConEdison Solutions, Noresco, and Siemens Building Technologies, Inc. to provide Energy Saving Performance Contracts; and**

**WHEREAS, RIAC issued a Request for Technical/Feasibility Proposal to all four qualified firms on September 14, 2005; and**

**WHEREAS, ConEdison and Siemens Building Technologies, Inc. submitted proposals in response to this solicitation; and**

**WHEREAS, a Selection Committee comprised of Marci A. Greenberger, A.A.E. Senior Vice President of Operations and Maintenance, Brian Schattle, Chief Financial Officer, Jose DaSilva, AVP Building Maintenance, Keith Holmander, Manager of Building Maintenance, and Tim Howe from the State of Rhode Island Energy Office, reviewed the proposals and selected the firm of ConEdison to perform this service; and**

**WHEREAS, the approved Fiscal Year 2006 Operating Capital budget includes \$100,000 for this service.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, execute a Professional Service Agreement (PSA) with ConEdison Solutions in the amount of \$85,000 to perform an Investment Grade Audit for a potential Energy Saving Performance Contract.**

**(e) Consideration of and Action Upon Selection of Underwriter for the Intermodal Project.**

**WHEREAS, the Rhode Island Airport Corporation ("RIAC") is a public corporation, governmental agency and instrumentality of the State of Rhode Island and Providence Plantations (the "State") organized and existing under Chapter 64 of Title 42 of the Rhode Island General Laws, as amended (the "Act") as a subsidiary public corporation of the Rhode Island Economic Development Corporation (the "EDC"); and**

**WHEREAS, RIAC intends to finance a portion of the proposed Intermodal Facility with Special Facility Revenue Bonds issued by the EDC on behalf of RIAC; and**

**WHEREAS, RIAC issued a request for proposals for Senior Managing Underwriter for the Intermodal Facility Bonds and received eight responses; and**

**WHEREAS, the Selection Committee, consisting of the Treasurer, the Vice Chairperson and the CFO has reviewed the proposals and has interviewed four of the potential candidates; and**

**WHEREAS, the Selection Committee has recommended that Bear, Stearns & Co. Inc. be appointed as Senior Managing Underwriter.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorizes the President and CEO, or his designee, to request that the EDC appoint Bear, Stearns & Co. Inc., as Senior Managing Underwriter for the Intermodal Special Facility Bonds.**

**(f) Consideration of and Action Upon Budget Amendment for New Positions.**

**A motion was made by Mr. Sangster and seconded by Mr. Forte to approve the following resolution:**

**WHEREAS, at the Compensation Committee Meeting on February 10, 2006, the Committee approved the staff recommended changes to the Organizational Chart and referred the issue to the Finance and Audit Committee to confirm fund availability for the new positions; and**

**WHEREAS, the estimated cost of these new positions in FY06 is**

**approximately \$150,000; and**

**WHEREAS, there are sufficient funds in the current year's payroll budget to cover this additional expense.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorizes the President and CEO, or his designee, to increase the Fiscal Year 2006 budget to include funds for seven (7) additional positions as approved by the Compensation Committee on February 10, 2006.**

**(g) Consideration of and Action Upon Mission Statement for the Operations and Capital Committee.**

**The mission statement for the Operations and Capital Committee was approved by the Board, in substantially the form presented.**

**(h) Consideration of and Action Upon Approval of a Five Year Capital Improvement Program.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) management staff, along with the assistance of financial advisors and airport consultants, has developed a Five-Year Capital Improvement Program (CIP) to address the needs of the six airports; and**

**WHEREAS, the CIP, including the Financial Plan, has been presented to the Finance and Audit Committee and the Operations and Capital Committee at the joint meeting.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby adopts the attached Capital Improvement Program in concept, recognizing that it is a changing document, and project estimates, funding sources, and timeframes may be modified.**

**6.1 Discussion Item:**

**(a) Discussion of the Capital Improvement Program (CIP)(Draft Environmental Impact Statement).**

**Ms. Cullen gave a presentation on the EIS alternatives which focused on the process, the candidate alternatives, and the screening criteria.**

**7. General Aviation Report:**

**(a) Consideration of and Action Upon the Elimination of the General Aviation (GA) Committee and Consideration of and Action Upon Committee Composition.**

**Mr. Brewer reported the role of the General Aviation Committee was to provide oversight, planning and counsel on development and**

**strategic planning for the general aviation airports operated by RIAC. It has been determined that many of the functions of the General Aviation Committee overlap with those of the Operations and Capital Committee. A merger of the two committees will improve staff efficiencies and ensure the Board has a fully coordinated approach to dealing with all six airports. Mr. Brewer noted that composition of the sub-committees had also been changed.**

**A motion was made by Mr. Cianciolo and seconded by Mr. Sangster to approve the following resolution:**

**WHEREAS, the role of the General Aviation Committee was to provide oversight, planning and counsel on development and strategic planning for the General Aviation airports operated by RIAC; and**

**WHEREAS, it has been determined that many of the functions of the General Aviation Committee overlap with those of the Operations and Capital Committee; and**

**WHEREAS, a merger of the two committees will improve staff efficiencies and ensure the Board has a fully coordinated approach to dealing with all six airports; and**

**WHEREAS, in order to maximize the effectiveness of both the staff and the Board committee structure, it is the recommendation to**

**eliminate the General Aviation Committee and reassign its responsibilities to the Operations and Capital Committee; and**

**WHEREAS, there will be a monthly GA Report on the Operations and Capital Committee agenda.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board approves the elimination of the General Aviation Committee and the reassignment of its responsibilities to the Operations and Capital Committee.**

**The motion was passed unanimously.**

**A motion was made by Mr. Cianciolo and seconded by Mr. Sangster to approve the new committee composition in the form submitted to the Board. The motion was passed unanimously.**

#### **8. Finance and Audit Committee Report:**

**Mr. Cianciolo reported that there was a combined Finance and Audit Committee and Operations and Capital Committee one hour prior to the Board Meeting and that there were items on the consent agenda for approval by the Board.**

**A motion was made by Mr. Cianciolo and seconded by Mr. Larisa to**

**approve the following resolutions. The motion was passed unanimously.**

**(a) Consideration of and Action Upon Selection of Underwriter for the Intermodal Project.**

**WHEREAS, the Rhode Island Airport Corporation ("RIAC") is a public corporation, governmental agency and instrumentality of the State of Rhode Island and Providence Plantations (the "State") organized and existing under Chapter 64 of Title 42 of the Rhode Island General Laws, as amended (the "Act") as a subsidiary public corporation of the Rhode Island Economic Development Corporation (the "EDC"); and**

**WHEREAS, RIAC intends to finance a portion of the proposed Intermodal Facility with Special Facility Revenue Bonds issued by the EDC on behalf of RIAC; and**

**WHEREAS, RIAC issued a request for proposals for senior managing underwriter for the Intermodal Facility Bonds and received eight responses; and**

**WHEREAS, the Selection Committee, consisting of the Treasurer, the Vice Chairperson and the CFO has reviewed the proposals and has interviewed four of the potential candidates; and**



**WHEREAS, the Selection Committee has recommended that Bear, Stearns & Co. Inc. be appointed as Senior Managing Underwriter.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorize the President and CEO, or his designee, to request that the EDC appoint Bear, Stearns & Co. Inc., as Senior Managing Underwriter for the Intermodal Special Facility Bonds.**

**(b) Consideration of and Action Upon the Mission Statement for the Finance and Audit Committee.**

**The mission statement for the Finance and Audit Committee was approved by the Board, in substantially the form presented.**

**(c) Consideration of and Action Upon Budget Amendment for New Positions.**

**WHEREAS, at the Compensation Committee Meeting on February 10, 2006, the Committee approved the staff recommended changes to the Organizational Chart and referred the issue to the Finance and Audit Committee to confirm fund availability for the new positions; and**

**WHEREAS, the Finance and Audit Committee confirmed fund availability and approved the increase to the FY06 budget, subject to Board approval, on February 15, 2006; and**

**WHEREAS, the estimated cost of these new positions in FY06 is approximately \$150,000; and**

**WHEREAS, there are sufficient funds in the current year's payroll budget to cover this additional expense.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorizes the President and CEO, or his designee, to increase the Fiscal Year 2006 budget to include funds for seven additional positions as approved by the Compensation Committee on February 10, 2006 and the Finance and Audit Committee on February 15, 2006.**

#### **9. Compensation Committee Report.**

**Mr. Sangster reported that the Compensation Committee held its first meeting on February 10, 2006, and there was one action item and two consent agenda items for approval by the Board.**

#### **Action Item:**

**(a) Consideration of and Action Upon Compensation Committee Mission Statement and Purpose.**

**A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the mission statement for the Compensation Committee in substantially the form presented to the Board. The motion was passed unanimously.**

**Consent Agenda:**

**A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the items on the consent agenda. The motion was passed unanimously.**

**(a) Consideration of and Action Upon the Rhode Island Airport Corporation's Corporate Mission, Vision, Values, Objectives and Action Plans.**

**The Rhode Island Airport Corporation's Corporate Mission, Vision, Values, Objectives and Action Plans were approved by the Board in substantially the form presented.**

**(b) Consideration of and Action Upon Rhode Island Airport Corporation Organizational Chart.**

**The organizational chart was approved by the Board in substantially the form presented.**

**10. Action Item:**

**(a) Consideration of and Action Upon the Board Delegation Table.**

**This item was deferred.**

**11. Executive Session:**

**(a) Discussion Related to Investment of Public Funds (Intermodal) – R.I.G.L. § 42-46-5(a)(7).**

**(b) Discussion Related to Potential and Pending Litigation (RIPDES and Parking) - R.I.G.L. § 42-46-5(a)(2).**

**(c) Discussion Related to Personnel – R.I.G.L. § 42-46-5(a)(1).**

**At approximately 5:28 pm., a motion was made by Mr. Sangster and seconded by Mr. Larisa to go into Executive Session to discuss Potential and Pending Litigation only. By the following vote, the motion was passed unanimously.**

**YEAS: James Forte**

**Joseph Cianciolo**

**Joseph Larisa**

**Robert Sangster**

**NAYS: None**

**At approximately 6:15 p.m., a motion was made by Mr. Cianciolo to reconvene to the Open Session. The motion was seconded by Mr.**

**Larisa. The motion was passed unanimously. Mr. Cianciolo left the meeting at 6:16 p.m.**

**12. Future Meetings:**

**The next meeting will be held on Wednesday, March 15, 2006 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.**

**13. Adjournment:**

**The meeting adjourned at approximately 6:22 p.m.**

**Respectfully submitted,**

**James C. Forte, Vice-Chairman  
Rhode Island Airport Corporation**

**ATTENDANCE SHEET**

**RHODE ISLAND AIRPORT CORPORATION  
BOARD OF DIRECTORS MEETING  
FEBRUARY 15, 2006**

**NAME      AFFILIATION**

**Patti Goldstein    RIAC**

**Mel Einhorn      RIAC**

**Doug Dansereau   RIAC**

**Jason Doyle      RIAC**

**Joe DaSilva      RIAC**

**Brenda Pope      RIAC**

**Liberty Luciano   RIAC**

**Robert Goff      New England Parking**

**Meredith Holderbaum   RI Senate Fiscal Office**

**John Silva      FAA**

**Carol Lurie    VHB**

**Cully Beasley    FAA**

**Kendra Beaver    Tillinghast Licht**

**Don Pillsbury    RIPA**

**John Howell    Warwick Beacon**

**Tony DePaul    Providence Journal**

**John Alvarez    Unite Here, Local 217**

**Jenna Karlin    Unite Here, Local 217**

**Yissel Vicente    HMS Host**

**MINUTES OF THE EXECUTIVE SESSION  
OF THE RHODE ISLAND AIRPORT CORPORATION  
BOARD OF DIRECTORS MEETING ON FEBRUARY 15, 2006**

**1. At approximately 5:28 pm., a motion was made by Mr. Sangster and seconded by Mr. Larisa to go into Executive Session. The motion was passed unanimously.**

**2. Mr. Frazier updated the Board on Intermodal negotiations.**

**3. Board Members, Outside Legal Counsel, and Corporation Personnel discussed the RIPDES litigation. Mr. Licht gave an update on the parking litigation.**

**4. There was no discussion related to personnel.**

**At approximately 6:15 p.m., a motion was made by Mr. Cianciolo to reconvene to the Open Session. The motion was seconded by Mr. Larisa. The motion was passed unanimously.**

**Respectfully submitted,**

**James C. Forte, Vice-Chairman  
Rhode Island Airport Corporation**